

AVIATION COMMERCIAL GENERAL LIABILITY DECLARATIONS

POLICY NUMBER: **AP 042834157-01**

PREVIOUS POLICY NUMBER: **NEW**

ISSUED BY: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA. 175 WATER STREET, 18TH FLOOR NEW YORK, NY 10038	PRODUCER: MOUNTAIN AIR INSURANCE SERVICES P.O. BOX 1918 HAMILTON, MT 59840
NAMED INSURED: STATE OF MONTANA	
MAILING ADDRESS: 1625 EAST 11TH AVENUE HELENA, MT 59620	
POLICY PERIOD: FROM JULY 1, 2011 TO JULY 1, 2012 AT 12:01 A.M. TIME AT YOUR MAILING ADDRESS SHOWN ABOVE	

**IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE
AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.**

LIMITS OF INSURANCE		
EACH OCCURRENCE LIMIT	\$	<u>10,000,000.</u>
DAMAGE TO PREMISES RENTED TO YOU LIMIT	\$	<u>NOT COVERED</u> Any one premises
MEDICAL EXPENSE LIMIT	\$	<u>NOT COVERED</u> Any one person
PERSONAL & ADVERTISING INJURY AGGREGATE LIMIT	\$	<u>10,000,000.</u>
GENERAL AGGREGATE LIMIT	\$	<u>NOT APPLICABLE</u>
PRODUCTS/COMPLETED OPERATIONS AGGREGATE LIMIT	\$	<u>10,000,000.</u>
HANGARKEEPERS LIMIT		
EACH AIRCRAFT LIMIT	\$	<u>10,000,000.</u>
EACH LOSS LIMIT	\$	<u>10,000,000.</u>
HANGARKEEPER'S DEDUCTIBLE	\$	<u>AS ENDORSED</u> Each aircraft

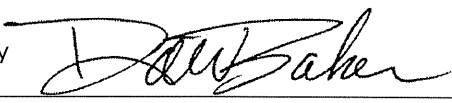

DESCRIPTION OF BUSINESS	
FORM OF BUSINESS:	
<input type="checkbox"/> INDIVIDUAL	<input type="checkbox"/> PARTNERSHIP
<input type="checkbox"/> LIMITED LIABILITY COMPANY	<input type="checkbox"/> JOINT VENTURE
	<input type="checkbox"/> TRUST
	<input checked="" type="checkbox"/> ORGANIZATION, INCLUDING A CORPORATION (BUT NOT INCLUDING A PARTNERSHIP, JOINT VENTURE OR LIMITED LIABILITY COMPANY)
BUSINESS DESCRIPTION: <u>GOVERNMENTAL SUBDIVISION</u>	

ALL PREMISES YOU OWN, RENT OR OCCUPY
ADDRESS OF ALL PREMISES YOU OWN, RENT OR OCCUPY
AS ENDORSED

PREMIUM	
STATE TAX OR OTHER (if applicable)	\$ <u>NOT APPLICABLE</u>
PREMIUM SHOWN AT INCEPTION IS PAYABLE: ANNUALLY	\$ <u>18,015.</u>
TRIA PREMIUM: \$932. (INCLUDED)	

ENDORSEMENTS
ENDORSEMENTS ATTACHED TO THIS POLICY:
<u>SEE ATTACHED FORMS SCHEDULE</u>

THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.

Countersigned: <u>8-3-11</u>	Approved By  (Authorized Representative)
	Date of Issue JULY 19, 2011 js

FORMS SCHEDULE

POLICYHOLDER: STATE OF MONTANA

POLICY NO. AP 042834157-01

POLICY PERIOD: From JULY 1, 2011 to JULY 1, 2012

The following forms are attached to the policy at inception.

FORM NUMBER AND VERSION DATE	FORM TITLE
CGL04(2/05)	AVIATION COMMERCIAL GENERAL LIABILITY DECLARATIONS
CGL02(2/05)	COMMERCIAL GENERAL LIABILITY COVERAGE
UE1276(6/10)	FORMS SCHEDULE
CGL353(1/05)	NAMED INSURED ENDORSEMENT
CGL224(3/05)	LIMITATION OF COVERAGE TO DESIGNATED PREMISES OR PROJECT
UNCA0742(7/11)	SELF-INSURED RETENTION
CGL810(3/05)	AIRPORT EXPANSION ENDORSEMENT
CGL1221(7/09)	AMENDATORY OF BODILY INJURY DEFINITION
CGL846(3/05)	NON-OWNED AIRCRAFT LIABILITY ENDORSEMENT -AIRPORT OWNER/ OPERATOR
CGL234(3/05)	AMENDMENT OF COVERAGE TERRITORY- WORLDWIDE COVERAGE
CGL201(4/05)	CANCELLATION BY US ENDORSEMENT
CGL822(3/05)	CONTINGENT AIRSHOW LIABILITY
CGL1059(1/08)	EXCESS AUTO LEGAL LIABILITY
CGL1060(1/08)	EXCESS EMPLOYERS LIABILITY
CGL660(3/05)	GARAGEKEEPERS LIABILITY
CGL518(3/05)	POLLUTION OR CONTAMINATION OF PRODUCTS SOLD OR SUPPLIED
CGL231(3/05)	WAIVER OF GOVERNMENTAL IMMUNITY
CGL1259(11/09)	MUTUAL AID AGREEMENT-2
CGL1258(11/09)	NIMS AGREEMENT ENDORSEMENT-2 (INCL OFF-AIRPORT), WITH SUB-LIMITS
CGL1260(11/09)	AVIATION OPERATIONS DEFINITION ENDORSEMENT
UE882(1/05)	ASBESTOS EXCLUSIONS ENDORSEMENT
UE48B(1/05)	WAR, HI-JACKING AND OTHER PERILS EXCLUSION CLAUSE AVN48B
CGL52G(3/10)	EXTENDED COVERAGE ENDORSEMENT (AVIATION LIABILITIES)
UE1066(3/08)	TERRORISM EXCLUSION- CERTIFIED ACTS
UE46B(1/05)	NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE AVN46B
UE38B(1/05)	NUCLEAR RISKS EXCLUSION CLAUSE AVN38B
UE2000A(1/05)	DATE RECOGNITION EXCLUSION CLAUSE AVN2000A
CGL2002A(3/05)	DATE RECOGNITION LIMITED COVERAGE CLAUSE AVN2002A
52153(8/10)	MONTANA AMENDATORY ENDORSEMENT
UNCA0736(7/11)	AMENDMENT TO SPECIAL AIRPORT PROVISIONS EXCLUSION CLAUSE
UE858(2/08)	EXCLUSION DELETION ENDORSEMENT
CGL209(3/05)	EXCLUSION- COVERAGE C- MEDICAL PAYMENTS
CGL214(3/05)	EXCLUSION- DAMAGE TO PREMISES RENTED TO YOU
UE1013(6/08)	POLICYHOLDER NOTICE

All other provisions of this policy remain the same.

NAMED INSURED ENDORSEMENT

This policy is amended as follows:

The Named Insured and/or Address set forth on the Declarations is extended as follows:

STATE OF MONTANA, FOR ITS DEPARTMENTS & AGENCIES, RISK MANAGEMENT & TORT DEFENSE
DIVISION


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of
Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 1

Date of Issue 7/19/11 js

By 
(Authorized Representative)

LIMITATION OF COVERAGE TO DESIGNATED PREMISES OR PROJECT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Premises:

49S- Babb Airport, Babb, MT; 8S0- Starr-Browning Airstrip, Browning, MT; RCO- Rock Creek Airport, Clinton, MT; H28- Whetstone International Airport, Port of Del Bonita, MT; 4U9- Dell Flight Strip, Dell, MT; 80S- Lavina Airport, Lavina, MT; S69- Lincoln Airport, Lincoln, MT; 7U8- Richey Airport, Richey, MT; 8U0- Ryegate Airport, Ryegate, MT; 23S- Seeley Lake Airport, Seeley Lake, MT; 7S8- Ross International Airport, Sweetgrass, MT; B70- Tiber Dam Airport, Tiber Dam, MT; WYS- Yellowstone Airport, West Yellowstone, MT & all premises necessary and incidental to the aviation operations of the Named Insured.

Project:

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

This insurance applies only to "bodily injury", "property damage", "personal and advertising injury" and medical expenses arising out of:

1. The ownership, maintenance or use of the premises shown in the Schedule and operations necessary or incidental to those premises; or
2. The project shown in the Schedule.

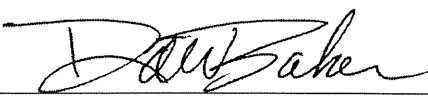
All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 2

Date of Issue 7/19/11 js

By 
(Authorized Representative)

CGL224 (3/05)

SELF-INSURED RETENTION
(Per Claim/Occurrence with no Aggregate Limitation)

This policy is amended as follows:

1. The Limits of the Company's Liability for each of the Liability coverages provided by this policy will apply excess of:

- (i) \$ 750,000. each claim
- (ii) \$1,500,000. each "occurrence"

Self-Insured Retention (hereinafter referred to as "Retention Amount").

The Retention Amount:

- (a) shall apply only to an "occurrence" covered under this policy
- (b) shall apply separate to each "occurrence", and
- (c) Shall include all amounts under **SUPPLEMENTARY PAYMENTS** section of the policy

Your bankruptcy, insolvency or inability to pay the Retention Amount shall not increase our obligations under this policy.

The total Retention Amount for which you are liable under this endorsement shall not be subject to an aggregate limit.

2. In addition to your duties as set forth in **Duties in the Event of Occurrence, Offense, Claim or Suit under COMMERCIAL GENERAL LIABILITY CONDITIONS**, you must notify us in writing as soon as practicable, but not later than sixty (60) days after you receive notice of any "occurrence". Offense, claim or "suit" involving:

- (a) a fatality
- (b) dismemberment or amputation
- (c) paraplegia or quadriplegia
- (d) "loss" or impairment of eyesight or hearing, or
- (e) Any "loss" which your reasonable judgement, taking into account past or anticipated **SUPPLEMENTARY PAYMENTS** in connection with the "loss", may result in payments equal to or exceeding 50% of the Retention Amount.

3. On a quarterly basis you or your loss adjusting representative must provide us with a written summary of all "occurrences", claims or "suits" which have or may result in payments within the Retention Amount. This written summary must show:
- (a) the date of the "occurrence",
 - (b) the name(s) of the injured person(s) or identification of the damaged property,
 - (c) a description of the injury or damage, and
 - (d) the amount paid or set aside as a reserve, including **SUPPLEMENTARY PAYMENTS**, resulting from the "occurrence", claim or "suit".
4. We shall have the right but not the duty to participate with you at our own expense in the defense or settlement of any claim or "suit" seeking damages covered under this policy. In the event of a claim or "suit" which in our reasonable judgement may result in payments, including **SUPPLEMENTARY PAYMENTS**, in an amount in excess of the Retention Amount, we may assume control of the defense or settlement of such claim or "suit". You will continue to be responsible for the payment of the Retention Amount.
5. In the event there is other insurance, whether or not collectible, applicable to an "occurrence", claim or "suit" within the Retention Amount, you will continue to be responsible for the full Retention Amount before the Limits of Insurance under this policy apply.
6. For the purpose of this Endorsement only, the term "occurrence" shall include an offense giving rise to "personal and advertising injury".


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

Endorsement No. 3

Date of Issue 7/19/11 js

By 
(Authorized Representative)

AIRPORT EXPANSION ENDORSEMENT

This policy is amended as follows:

1. BROAD FORM INSURED

Paragraph 1. under **WHO IS AN INSURED** is amended to include:

If you are a governmental subdivision, any elective or appointive officer or a member of any board or commission or agency of yours while acting within the scope of their duties as respects your "aviation operations".

2. ON-AIRPORT PREMISES "AUTO" COVERAGE

(A) Exclusion **2. g. (3)** under **COVERAGE A** is deleted in its entirety.

Coverage provided by this policy will:

- (a) apply on a primary basis as respects "autos" while being operated within the airport operations area (within the secured fenced area of the airport), or while responding to an aviation emergency;
- (b) apply excess of the limits provided by the following scheduled insurance as respects "autos" while being operated on airport premises but outside the airport operations area.

Schedule of underlying insurance, including any renewal thereof:

NOT APPLICABLE	N/A	N/A	NIL
Insurance Company	Policy Number	Effective Dates	Limits

Coverage provided by this endorsement does not apply to any obligation of the insured under a No Fault, Uninsured Motorist or Underinsured Motorist law.

(B) Paragraph b. of the definition of "Mobile Equipment" in the policy provisions is amended as follows:

- b. Vehicles maintained for use solely on or next to premises you own, lease or rent including special use vehicles designed for operation on airports. However, the following shall not be considered "mobile equipment":
 - (1) Passenger cars, pickup trucks
 - (2) Ambulances
 - (3) Snow plows while being used outside the airport operations area
 - (4) Tow trucks
 - (5) Buses, vans

3. ON-AIRPORT PREMISES WATERCRAFT COVERAGE

Exclusions **2. g. (1)** and **(2)** under **COVERAGE A** are deleted in their entirety and replaced with the following:

- (1) A watercraft while on airport premises, or while off premises when responding to an aviation emergency
- (2) A watercraft that you do not own that is not being used to carry persons or property for a charge

4. CONTROL TOWER - CONTINGENT

Exclusion 2. f. under **COVERAGE A** is deleted in its entirety and replaced with the following:

- f. "Bodily injury" or "property damage" arising out of Air Traffic Control operations by any insured. This exclusion shall not apply to your liability arising out of Air Traffic Control operations conducted by the military, Federal Aviation Administration (or other civil aviation authority) or their contractor.

5. BAGGAGE LIABILITY

Exclusion 2. j. under **COVERAGE A** is amended to include the following:

Paragraph (4) of this Exclusion j. does not apply to "property damage" to goods, merchandise, or baggage not owned by or rented to you while in storage, safekeeping or transit, provided you are not handling the property as bailee for hire.

6. DAMAGE TO "AUTOS"

Exclusion 2. j. under **COVERAGE A** is amended to include the following:

Paragraph (4) of this Exclusion j. does not apply to "property damage" to an "auto" while on airport premises. However, coverage hereunder will not apply to loss or damage to "autos" owned by, leased to, rented to or loaned to your officer or employee, unless the "auto" is in your custody due to towing or for valet parking for which a charge has been made.

7. STATIC DISPLAY OF AIRCRAFT

Paragraph 1. of **SPECIAL AIRPORT PROVISIONS EXCLUSION CLAUSE** under **COMMON POLICY EXCLUSIONS** is deleted in its entirety and replaced with the following:

To the conduct of any contest, flight exhibition, air meet, air race, air show (excluding static display); permitted, sponsored or participated in by any insured; or

8. INCIDENTAL MEDICAL MALPRACTICE LIABILITY

The definition of "bodily injury" is amended to include Incidental Medical Malpractice Injury subject to the limit specified below.

Incidental Medical Malpractice Injury means injury arising out of the rendering of or failure to render emergency medical services while on airport premises or while responding to an aircraft accident.

Coverage provided hereunder will not apply to:

- (a) Any insured (other than dedicated airport Crash, Fire, Rescue personnel) engaged in the business or occupation of providing medical services; or
- (b) Injury caused by an indemnitee if such indemnitee is engaged in the business or occupation of providing medical services.

Coverage provided by this paragraph is limited to \$ 10,000,000. per "occurrence" and aggregate and is included within and not in addition to the limit provided under **COVERAGE A**.

9. DISCRIMINATION

The definition of "Personal and Advertising Injury" is amended to include:

- i. Discrimination or humiliation suffered by an individual, based on, but not limited to, race, color, religion, national origin, age, sex, marital status, sexual orientation, harassment, handicap, pregnancy, chronic medical condition, or obesity.

The most we will pay for coverage provided by this endorsement is:

\$ 10,000,000. per individual, and

\$ 10,000,000. annual aggregate.

Coverage hereunder is included within, and not in addition to the limit provided for under COVERAGE B of this policy. In addition, such coverage shall include within the limit shown above all costs specified in paragraphs 1. a. - g. of **SUPPLEMENTARY PAYMENTS**.

10. CO-EMPLOYEES

Paragraph 2. a. (1) of WHO IS AN INSURED does not apply.

However, coverage provided by this paragraph shall not apply to any "bodily injury" or "personal and advertising injury" arising out of:

- (i) Discrimination;
- (ii) Refusal to employ;
- (iii) Termination of employment;
- (iv) Coercion, demotion, evaluation, reassignment, discipline, harassment, humiliation, or other employment-related practices, policies, acts or omissions; or
- (v) Consequential "bodily injury" or "personal and advertising injury" as a result of (i) through (iv) above.

11. KNOWLEDGE OF "OCCURRENCE"

Duties in the Event of Occurrence, Offense, Claim or Suit under COMMERCIAL GENERAL LIABILITY CONDITIONS is amended to include:

Knowledge of an "occurrence" by an agent, servant or employee of an insured will not in itself constitute knowledge by you, unless such notice has been received by your insurance administrator.

12. YOUR INADVERTENT FAILURE TO REPORT OR FAILURE TO NOTIFY

Duties in the Event of Occurrence, Offense, Claim or Suit under COMMERCIAL GENERAL LIABILITY CONDITIONS is amended to include:

Notwithstanding any other provision(s) of this policy, inadvertent errors or omissions and/or failure in furnishing information, notification or reports required will not prejudice the coverage afforded by this policy provided you notify us within a reasonable time after the error has been discovered; or

The insured's rights under this policy will not be affected if they fail to give notice of an accident or "occurrence" solely because they reasonably believed that the accident or "occurrence" was not covered under this policy.

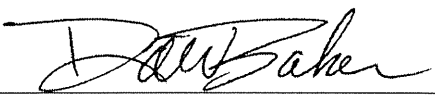
All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 4

Date of Issue 7/19/11 js

By 
(Authorized Representative)

AMENDMENT OF BODILY INJURY DEFINITION

This policy is amended as follows:

The Definition of "bodily injury" set forth under Section V - Definitions is deleted and replaced with the following:

6. "Bodily injury" means bodily injury, sickness, mental anguish or disease sustained by a person, including death resulting from any of these at any time.


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 5

Date of Issue 7/19/11 js

By 
(Authorized Representative)

NON-OWNED AIRCRAFT LIABILITY ENDORSEMENT - AIRPORT OWNER / OPERATOR

This policy is extended to include the following:

COVERAGE E NON-OWNED AIRCRAFT LIABILITY

1. Insuring Agreement.

- (a) We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies resulting from your use of "non-owned aircraft". We will have the right and duty to defend any "suit" seeking those damages. We may at our discretion investigate any occurrence and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgements or settlements under **COVERAGES A, B or E** or medical expenses under **COVERAGE C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGES A, B, D AND E**.

- (b) This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) The "non-owned aircraft" is used by you or on your behalf in connection with your ownership, operation or maintenance of the airports insured under this policy.

- (c) Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions.

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.
- (b) "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract of agreement.
- (c) Physical damage or "property damage" to, destruction of, or loss of use of "non-owned aircraft".
- (d) Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

(e) "Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of employment by the insured; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of (e) (1) above.

This exclusion applies:

- (i) Whether the insured may be liable as an employer or in any other capacity; and
 - (ii) To any obligation to share damages with or repay someone else who must pay damages because of the injury.
- (f) "Bodily injury" or "property damage" included in the "products-completed operations hazard".
- (g) Claims arising out of any "aircraft" rented to, financed for, or leased to others (or repossessed or reacquired) by any insured, subsidiary, owned or controlled firm thereof.
- (h) Any person or organization with respect to "aircraft" owned in whole or in part by, registered to, or under a lease agreement with a term of more than thirty (30) days, to such person (or member of his/her household) or organization.

3. LIMITS OF INSURANCE

As respects this endorsement, the **LIMITS OF INSURANCE** of the policy are extended to include the following:

The each "occurrence" limit shown below is the most we will pay under **COVERAGE E** for all damages, including all "related claims" and all damages for care and loss of services, because of "bodily injury" or "property damage" sustained by one or more persons or organizations as the result of any one "occurrence".

Subject to the each "occurrence" limit, if the **LIMITS OF INSURANCE** shown below are completed to show a limit for "'Passenger" liability limited internally to' the most we will pay under **COVERAGE E** for all damages, including all "related claims" and all damages for care and loss of services, because of "bodily injury" to "passengers" shall not exceed:

- (a) As respects any one "passenger", the amount stated below as 'each person'.
- (b) Subject to 3. (a) as respects two or more "passengers", the amount stated as the 'each person' limit multiplied by the number of seats shown in the definition of "non-owned aircraft" in this endorsement. In no event will the limit for any one person exceed the amount stated in the 'each person' limit, nor will the total amount paid for all "bodily injury", including all "related claims" and all damages for care and loss of services, because of "bodily injury" and "property damage" exceed the limits stated below as 'each "occurrence"'.

All "bodily injury", including all "related claims" and "property damage" arising out of continuous or repeated exposure to substantially the same general harmful conditions shall be considered as arising out of one "occurrence".

Single Limit including "Passengers" \$ 10,000,000. each "occurrence", with

"Passenger" liability limited internally to: \$ 10,000,000. each person

4. Definitions as respects this coverage part.

"Non-owned aircraft" means aircraft not owned in whole or in part by , registered to, or under a lease agreement with a term of more than thirty (30) days to you, provided such "non-owned aircraft" is
FIXED WING OR ROTOR-WING AIRCRAFT

having no more than 40 total seats.

"Passenger" means any person in, on, or boarding the "non-owned aircraft" for the purpose of riding or flying in, or alighting from after a flight or attempted flight, including crew member(s).

"Related claims" means all claims for care and loss of services, loss of society and consortium, mental anguish, emotional distress, loss of support, medical or funeral expenses, and any and all other damages from or related to "bodily injury" to any person or "passenger". Notwithstanding anything to the contrary in the definition of "bodily injury", our liability and coverage for damages for both "bodily injury" and "related claims" are included and combined within the each person and each "occurrence" Limits of Insurance shown in this endorsement as applicable, and there are no separate or additional Limits of Insurance for "related claims:."

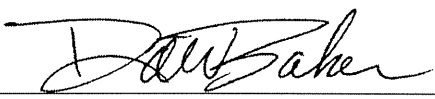
All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 6

Date of Issue 7/19/11 js

By 
(Authorized Representative)

AMENDMENT OF COVERAGE TERRITORY - WORLDWIDE COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. The following is added to **SECTION IV - CONDITIONS**:

Expanded Coverage Territory

1. If a "suit" is brought in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from defending the insured, the insured will initiate a defense of the "suit". We will reimburse the insured, under Supplementary Payments, for any reasonable and necessary expenses incurred for the defense of a "suit" seeking damages to which this insurance applies, that we would have paid had we been able to exercise our right and duty to defend.

If the insured becomes legally obligated to pay sums because of damages to which this insurance applies in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from paying such sums on the insured's behalf, we will reimburse the insured for such sums.

2. All payments or reimbursements we make for damages because of judgments or settlements will be made in U.S. currency at the prevailing exchange rate at the time the insured became legally obligated to pay such sums. All payments or reimbursements we make for expenses under Supplementary Payments will be made in U.S. currency at the prevailing exchange rate at the time the expenses were incurred.
3. Any disputes between you and us as to whether there is coverage under this policy must be filed in the courts of the United States of America (including its territories and possessions), Puerto Rico or Canada.
4. The insured must fully maintain any coverage required by law, regulation or other governmental authority during the policy period, except for reduction of the aggregate limits due to payments of claims, judgments or settlements.

Failure to maintain such coverage required by law, regulation or other governmental authority will not invalidate this insurance. However, this insurance will apply as if the required coverage by law, regulation or other governmental authority was in full effect.

B. The following is added to Paragraph **8. b.** under the **CONDITIONS** section:

8. Other Insurance

b. Excess Insurance

This insurance is excess over:

- (3) Any of the other insurance, whether primary, excess, contingent or on any other basis:

- (a) If the insured's liability to pay damages is determined in a "suit" brought outside the United States of America (including its territories and possessions), Puerto Rico or Canada; or
- (b) That is coverage required by law, regulation or other governmental authority in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada.

C. Paragraph 7. of the **DEFINITIONS** section is replaced by the following:

- 7. "Coverage territory" means anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.

All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 7

Date of Issue 7/19/11 js

By 
(Authorized Representative)

CANCELLATION BY US ENDORSEMENT

This policy is amended as follows:

SCHEDULE

Number of days 120

(If no entry appears above, information required to complete this Schedule will be shown in the Declarations as applicable to this endorsement.)

Paragraph b. of **Cancellation** under **COMMERCIAL GENERAL LIABILITY CONDITIONS** is replaced by the following:

- b. We or the "Aviation Managers" may cancel this Coverage by mailing or delivering to the first Named Insured written notice of cancellation at least:
- (1) Ten (10) days before the effective date of cancellation if we or the "Aviation Managers" cancel for non-payment of premium; or
 - (2) The number of days before the effective date of cancellation if we or the "Aviation Managers" cancel for any other reason.

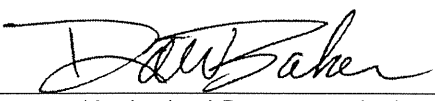
All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 8

Date of Issue 7/19/11 js

By 
(Authorized Representative)

CGL201 (4/05)

CONTINGENT AIRSHOW LIABILITY

This policy is amended as follows:

Paragraph 1. of **SPECIAL AIRPORT PROVISIONS EXCLUSION CLAUSE** under **COMMON POLICY EXCLUSIONS** does not apply to static display of "aircraft". In addition, coverage shall apply to your liability resulting from an airshow. Coverage provided hereunder shall be excess of any insurance available to any Insured provided that you shall notify the "Aviation Managers" thirty (30) days in advance and shall pay additional premium as required.


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of
Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 9

Date of Issue 7/19/11 js

By 
(Authorized Representative)

EXCESS AUTO LEGAL LIABILITY

This policy is amended as follows:

Exclusion (g) and (h)(1) under COVERAGE A do not apply to any "auto" owned, operated by, rented, leased, or loaned to you, while in use as a part of your "aviation operations", and the coverage provided by this endorsement shall apply only to your "aviation operations".

We will indemnify you, or any Insured against "ultimate net loss" in excess of the underlying liability insurance scheduled in (B) and (C) below and arising out of the hazards covered therein, carried by you, or any Insured but only up to an amount not exceeding the limit shown in (A) below.

Except as indicated below, coverage provided by this endorsement shall follow the insuring agreements, conditions and exclusions of the underlying insurance scheduled in (B) or (C) below.

Underlying insurance shall be maintained with limits as scheduled in (B) or (C) below except for reduction of such limits by exhaustion of aggregate limits (if any) contained therein solely by payment of claims resulting from accidents or "occurrences" happening during the policy period thereof. Failure of you or any Insured to maintain the underlying insurance shall not invalidate the coverage afforded under this endorsement, but in the event of such failure:

1. Under the underlying insurance scheduled in (B) below, we shall be liable only to the same extent as we would have been had you or any Insured maintained the underlying insurance.
2. Under the underlying insurance scheduled in (C) below, we shall be liable only to the same extent as we would have had you or any Insured maintained either of the following ISO Business Auto Coverage Forms:
 - A. CA 00 01 03 06 as on file with the "Aviation Managers" for Insureds residing in all states except Connecticut, New Hampshire and Virginia. (Copies are available upon request).
 - B. CA 00 01 10 01 as on file with the "Aviation Managers" for Insureds residing in Connecticut, New Hampshire and Virginia. (Copies are available upon request).

We shall not be liable for any reduction in the underlying insurance due to any other cause including the insolvency or bankruptcy of any insurer or self-insurer, or non payment by any underlying insurer.

Unless aggregate limits are specifically stated in this endorsement, the coverage provided by this endorsement applies only with respect to each accident or "occurrence" for limits in excess of the amount provided for same in the underlying insurance and does not apply over any reduced amount of underlying insurance in the event of the exhaustion or reduction of aggregate limits (if any) in the underlying insurance.

If aggregate limits are specifically stated in this endorsement, this endorsement will apply in excess of reduced underlying insurance provided such reduction in the underlying insurance is solely the result of accidents or "occurrences" happening after the inception date of this endorsement. You or any Insured shall give us written notice as soon as possible of any reduction or exhaustion of such aggregate limit in the underlying insurance.

If more than one Insured is named in the Declarations, such additional Insured(s) shall not have the effect of increasing our limit of liability for each accident or "occurrence" stated in (A) below.

ULTIMATE NET LOSS AND COSTS:

"Ultimate net loss" shall mean the sums paid in settlement of losses for which you or any Insured is liable after making deductions for all recoveries, salvages and other insurances (other than recoveries under the underlying insurance, policies of coinsurance, or policies specifically in excess hereof) whether recoverable or not, and shall exclude all "Costs".

The word "Costs" shall mean interest on judgments, investigation, adjustment and legal expenses including taxed court costs, and premiums on bonds, for which you or any Insured is not covered by the underlying insurance excluding, however, (a) all expenses for salaried employees and counsel on general retainer, (b) all your or any other Insured's office expenses, and (c) regular fees paid to counsel on general retainer.

1. In the event of claim or "suit" arising which appears likely to exceed the underlying insurance limit or limits, no "Costs" shall be incurred by you or any Insured without our written consent.
2. Should such claim or "suit" be settled previous to going into court for not more than the underlying insurance limit or limits, then no "Costs" shall be payable by us.
3. Should, however, the sum for which the said claim or "suit" may be settled exceed the underlying insurance limit or limits, then we, if we approve such settlement or consent to the proceeding continuing, shall contribute to the "Costs" incurred by you or any Insured in the ratio that it's proportion of the "ultimate net loss" as finally adjusted bears to the whole amount of such "ultimate net loss".
4. In the event you or any Insured elects not to appeal a judgment in excess of the underlying insurance limit or limits, we may elect to conduct such appeal at our own cost and expense and shall be liable for the taxable court costs and interests incidental thereto, but in no event shall our total liability exceed its limit or limits as set under (A) below, plus the costs of such appeal.
5. In the event a judgment is rendered in excess of the underlying insurance limit or limits and the underlying insurer or insurers elect to appeal such judgment, the duty of obtaining an appeal bond in regard to liability in excess of the underlying insurance limit or limits shall rest with you or any Insured and your underlying insurer or insurers.

EXCLUSIONS:

In addition to the exclusions in the underlying policy, coverage provided by this endorsement is subject to the following **COMMON POLICY EXCLUSIONS** set forth under this policy:

1. Noise and Pollution and Other Perils Exclusion Clause
2. Asbestos Exclusion
3. Nuclear Risks Exclusion Clause
4. Special Airport Provisions Exclusion Clause
5. War, Hijacking and Other Perils Exclusion Clause

Coverage does not apply to any obligation of the Insured under a "No Fault", "Uninsured Motorist" or "Underinsured Motorist" law, except as may otherwise be required by law.

LIMITS OF LIABILITY:

(A) Limits hereunder \$ 10,000,000. for any one accident or "occurrence"

EXCESS OF:

(B) Underlying Insurance:

Policy Number: N/A

Policy Period: N/A

Liability Limit: \$ N/A for any one accident or "occurrence"

Insurer: N/A

OR,

(C) Self Insured Retention: \$ 1,000,000. for any one accident or "occurrence"


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of
Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 10

Date of Issue 7/19/11 js

By 
(Authorized Representative)

EXCESS EMPLOYER'S LIABILITY

This policy is amended as follows:

Notwithstanding Exclusion (e)(1) under COVERAGE A, coverage provided by this endorsement will apply only to your "aviation operations." We will indemnify you, or any Insured against "ultimate net loss" in excess of the underlying liability insurance as scheduled in (B) below for all sums you legally must pay as damages because of "bodily injury" to your employees, provided the "bodily injury" is covered by the Employer's Liability Insurance referenced in item (B) below.

Except as indicated below, coverage provided by this endorsement shall follow the insuring agreements, conditions and exclusions of the underlying insurance shown in (B) below.

An underlying policy shall be maintained with limits as shown in (B) below except for reduction of such limits by exhaustion of aggregate limits (if any) contained therein solely by payment of claims resulting from accidents or "occurrences" happening during the policy period thereof. Failure of you or any Insured to maintain the underlying insurance shall not invalidate the coverage afforded under this endorsement, but in the event of such failure we shall be liable only to the same extent as we would have been had you or any Insured maintained the underlying insurance. We shall not be liable for any reduction in the underlying insurance due to any other cause including the insolvency or bankruptcy of any insurer or self-insurer, or non payment by any underlying insurer.

Unless aggregate limits are specifically stated in this endorsement, the coverage provided by this endorsement applies only with respect to each accident or "occurrence" for limits in excess of the amount provided for same in the underlying insurance and does not apply over any reduced amount of underlying insurance in the event of the exhaustion or reduction of aggregate limits (if any) in the underlying insurance.

If aggregate limits are specifically stated in this endorsement, this endorsement will apply in excess of reduced underlying insurance provided such reduction in the underlying insurance is solely the result of accidents or "occurrences" happening after the inception date of this endorsement. You or any Insured shall give us written notice as soon as possible of any reduction or exhaustion of such aggregate limit in the underlying insurance.

If more than one Insured is named in the Declarations, such additional Insured(s) shall not have the effect of increasing our limit of liability for each accident or occurrence stated in (A) below.

ULTIMATE NET LOSS AND COSTS:

"Ultimate net loss" shall mean the sums paid in settlement of losses for which you or any Insured is liable after making deductions for all recoveries, salvages and other insurances (other than recoveries under the underlying insurance, policies of co-insurance, or policies specifically in excess hereof) whether recoverable or not, and shall exclude all "Costs".

The word "Costs" shall mean interest on judgments, investigation, adjustment and legal expenses including taxed court costs, and premiums on bonds, for which you or any Insured is not covered by the underlying insurance excluding, however, (a) all expenses for salaried employees and counsel on general retainer, (b) all your or any other Insured's office expenses, and (c) regular fees paid to counsel on general retainer.

1. In the event of claim or "suit" arising which appears likely to exceed the underlying insurance limit or limits, no Costs shall be incurred by you or any Insured without our written consent.
2. Should such claim or "suit" be settled previous to going into court for not more than the underlying insurance limit or limits, then no "Costs" shall be payable by us.

3. Should, however, the sum for which the said claim or "suit" may be settled exceed the underlying insurance limit or limits, then we, if we approve such settlement or consent to the proceeding continuing, shall contribute to the "Costs" incurred by you or any Insured in the ratio that it's proportion of the "ultimate net loss" as finally adjusted bears to the whole amount of such "ultimate net loss."
4. In the event you or any Insured elects not to appeal a judgment in excess of the underlying insurance limit or limits, we may elect to conduct such appeal at our own cost and expense and shall be liable for the taxable court costs and interests incidental thereto, but in no event shall our total liability exceed its limit or limits as set under (A) below, plus the costs of such appeal.
5. In the event a judgment is rendered in excess of the underlying insurance limit or limits and the underlying insurer or insurers elect to appeal such judgment, the duty of obtaining an appeal bond in regard to liability in excess of the underlying insurance limit or limits shall rest with you or any Insured and your underlying insurer or insurers.

EXCLUSIONS:

In addition to the exclusions in the underlying policy, coverage provided by this endorsement is subject to the following **COMMON POLICY EXCLUSIONS** set forth under this policy:

1. Noise and Pollution and Other Perils Exclusion Clause
2. Asbestos Exclusion
3. Nuclear Risks Exclusion Clause
4. Special Airport Provisions Exclusion Clause
5. War, Hijacking and Other Perils Exclusion Clause

LIMITS OF LIABILITY:

(A) Limits hereunder \$ 10,000,000. each accident
\$ 10,000,000. disease, each employee
\$ 10,000,000. disease, aggregate

EXCESS OF:

(B) Underlying Insurance:

Policy Number: N/A

Policy Period: N/A

Liability Limit: \$ 1,000,000. each accident
\$ 1,000,000. disease, each employee
\$ 1,000,000. disease, aggregate

Insurer: SELF-INSURED


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of
Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 11

Date of Issue 7/19/11 js

By 
(Authorized Representative)

GARAGEKEEPERS LIABILITY

This policy is amended as follows:

Exclusion j. (4) under **COVERAGE A** has been deleted only as respects the following:

"Property damage" to an "auto" occurring while such "auto" is in the care, custody or control of the insured for valet parking, towing, safekeeping, storage or while on airport premises for any other incidental use by the insured.

The amount we will pay for damages is limited to

\$ 10,000,000. any one "auto"

\$ 10,000,000. any one "loss"

subject to a deductible of

\$ AS ENDORSED each "auto"

Coverage provided by this endorsement does not apply to:

1. this insured's liability under any agreement to be responsible for "loss"
2. "loss" to robes, wearing apparel, personal effects or merchandise
3. "loss" or damage to "auto" or parts of any "auto"
 - (a) owned by, leased to, rented to or loaned to the insured or partner(s) of the insured
 - (b) owned by, leased to, rented to or loaned to an officer or employee of the insured unless the "auto" is in your custody due to towing, or for valet parking for which a charge has been made
4. "loss" due to theft or conversion caused in any way by you, your "employees", your partners or by your shareholders.

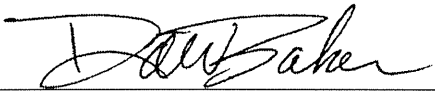
All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 12

Date of Issue 7/19/11 js

By 
(Authorized Representative)

**POLLUTION OR CONTAMINATION OF THE
PRODUCT SOLD OR SUPPLIED**

This policy is amended as follows:

Paragraph 1. (b) of Noise and Pollution and Other Perils Exclusion Clause AVN46B does not apply to the pollution or contamination of the product sold or supplied by the Insured.

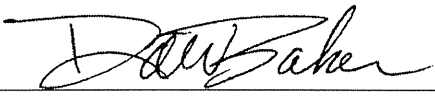
All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of
Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 13

Date of Issue 7/19/11 js

By 
(Authorized Representative)

WAIVER OF GOVERNMENTAL IMMUNITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

We will waive, both in the adjustment of claims and in the defense of "suits" against the Insured, any governmental immunity of the Insured, unless the Insured requests in writing that we not do so.

Waiver of immunity as a defense will not subject us to liability for any portion of a claim or judgment in excess of the applicable limit of insurance.

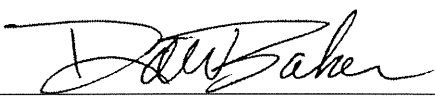
All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of
Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 14

Date of Issue 7/19/11 js

By 
(Authorized Representative)

CGL231 (3/05)

MUTUAL AID AGREEMENT - 2

In consideration of an additional premium of \$ INCLUDED , this policy is amended as follows:

1. Section V - Definitions is amended as follows:

a. The following new definition is added:

"Mutual aid agreement" means a written agreement between you and agencies and/or jurisdictions in which they agree to assist one another upon request, by furnishing personnel and equipment.

b. The definition of "insured contract" set forth under paragraph 12 is extended to include the following:

"Insured contract" means:

g. A "mutual aid agreement".

2. Section I - Coverages is amended as follows:

Paragraph g. and paragraph h. (1) of paragraph 2. Exclusions of Section I do not apply to any "auto" owned, operated by, leased, rented to or loaned to any insured while on airport premises.

Coverage provided by this endorsement is extended to include "autos" owned, operated, leased, rented to, or loaned to an insured while off of the airport premises, but only while responding to an aviation emergency and including airport crash, fire, rescue vehicles responding to an emergency under a "mutual aid agreement".


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 15

Date of Issue 7/19/11 js

By 
(Authorized Representative)

**NATIONAL INCIDENT MANAGEMENT SYSTEM/NATIONAL RESPONSE PLAN
NIMS AGREEMENT ENDORSEMENT - 2
(INCLUDING OFF-AIRPORT), WITH SUB-LIMITS**

In consideration of an additional premium of \$ INCLUDED, this policy is amended as follows:

1. The following new definition is added under Section V - Definitions:

"NIMS agreement" means a written agreement between you and a governmental or non-profit entity:

- a. Under which you provide resources, facilities, services and other required support to that entity during and after an emergency or disaster, and
- b. That is made according to the National Incident Management System and National Response Plan published by the United States Department of Homeland Security on March 1, 2004.

2. The following sub-limits apply to any "occurrence" or offense resulting from your "aviation operations" as defined in paragraph 5.b. of the Aviation Operations Definition Endorsement CGL1260 attached to this policy.

These sub-limits are included in the corresponding Limits of Insurance shown in the Declarations and are not in addition to those Limits:

Each Occurrence Limit	\$	10,000,000.	
Damage to Premises rented to You Limit	\$	NOT COVERED	Any one premises
Medical Expense Limit	\$	NOT COVERED	Any one person
Personal & Advertising Injury Aggregate Limit	\$	10,000,000.	
General Aggregate Limit	\$	NOT APPLICABLE	
Products/Completed Operations Aggregate Limit	\$	10,000,000.	
Hangarkeepers Limit			
Each Aircraft Limit	\$	NOT COVERED	
Each Loss Limit	\$	NOT COVERED	
Hangarkeeper's Deductible	\$	NOT APPLICABLE	Each aircraft

All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of
Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 16

Date of Issue 7/19/11 js

By 
(Authorized Representative)

CGL1258 (11/09)

AVIATION OPERATIONS DEFINITION ENDORSEMENT

In consideration of the premium at which this policy is written, this policy is amended as follows:

Definition 5. - "Aviation operations" - set forth under Section V - Definitions - is deleted and replaced with the following:

5. "Aviation operations" means all operations arising from the ownership, maintenance or use of locations for aviation activities including that portion of roads or other accesses that adjoin these locations.
- a. "Aviation operations" includes all operations necessary or incidental to aviation activities, including but not limited to
1. The acquisition of land by the Named Insured for the purpose of "aviation operations"; or
 2. All operations conducted by you pursuant to any obligation created by a "Mutual aid agreement".
- b. "Aviation operations" also includes the ownership, maintenance, use or provision by you of locations, services and facilities that you are required to provide under a "NIMS agreement" (National Incident Management System).


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 17

Date of Issue 7/19/11 js

By 
(Authorized Representative)

ASBESTOS EXCLUSION ENDORSEMENT

This policy does not cover any claims of any kind whatsoever directly or indirectly relating to, arising out of or in consequence of:

1. The actual, alleged or threatened exposure to or presence of asbestos in any form whatsoever, including, but not limited to, asbestos fibers or asbestos dust, or any material or product containing, or alleged to contain, asbestos; or
2. Any obligations, request, demand, order, or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, neutralize, protect against or in any other way respond to the actual, alleged or threatened exposure to or presence of asbestos in any form whatsoever, including, but not limited to, asbestos fibers or asbestos dust, or any material or product containing, or alleged to contain, asbestos.

However, the exclusion shall not apply to any claim for asbestos exposure caused by or resulting from a crash, fire, explosion, or collision or a recorded in flight emergency causing abnormal aircraft operations.

Notwithstanding any other provisions of this Policy, Insurers will have no duty to investigate, defend or pay defense costs in respect of any claim excluded in whole or in part under paragraphs 1. or 2. hereof.


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 18

Date of Issue 7/19/11 js

By 
(Authorized Representative)

WAR, HI-JACKING AND OTHER PERILS EXCLUSION CLAUSE (AVIATION) AVN48B

This policy is amended as follows:

In the event any of the provisions of this endorsement are in conflict with any provisions, exclusions, conditions or terms forming part of this policy, this endorsement shall take precedence.

This policy does not cover claims caused by:

- (a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power;
- (b) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- (c) Strikes, riots, civil commotions or labor disturbances;
- (d) Any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional;
- (e) Any malicious act or act of sabotage;
- (f) Confiscation, nationalization, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any Government (whether civil, military or de facto) or public or local authority;
- (g) Hi-jacking or any unlawful seizure or wrongful exercise of control of the aircraft or crew in flight (including any attempt at such seizure or control) made by any person or persons on board the aircraft acting without the consent of the Insured.

Furthermore, this policy does not cover claims arising whilst the aircraft is outside the control of the Insured by reason of any of the above perils.

The aircraft shall be deemed to have been restored to the control of the Insured on the safe return of the aircraft to the Insured at an airfield not excluded by the geographical limits of this policy, and entirely suitable for the operation of the aircraft (such safe return shall require that the aircraft be parked with engines shut down and under no duress).

All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 19

Date of Issue 7/19/11 js

By 
(Authorized Representative)

UE48B (1/05)

EXTENDED COVERAGE ENDORSEMENT (AVIATION LIABILITIES)

In consideration of an additional premium of \$ INCLUDED , this policy is amended as follows:

The policy of which this endorsement forms part includes War, Hi-jacking and Other Perils Exclusion Clause AVN48B:

1. With effect from JULY 1, 2011 , all sub-paragraphs other than (b) of War, Hi-jacking and Other Perils Exclusion Clause AVN48B are deleted SUBJECT TO all terms and conditions of this endorsement.
2. EXCLUSION applicable only to any coverage extended in respect of the deletion of sub-paragraph (a) of War, Hi-jacking and Other Perils Exclusion Clause AVN48B:

Coverage shall not include liability for damage to any form of property on the ground situated outside Canada and the United States of America unless caused by or arising out of the use of aircraft.

3. LIMITATION OF LIABILITY

The limit of the Company's liability in respect of the coverage provided by this endorsement shall be a sub-limit of US\$ 10,000,000. or the applicable policy limit, whichever the lesser, any one occurrence and in the annual aggregate. This sub-limit shall apply within the full policy limit and not in addition thereto.

Notwithstanding any other liability for which coverage is afforded under this policy, coverage provided under this endorsement shall apply solely to the following:

Liability Coverages as set forth in the Declarations Page (CGL04) unless subsequently deleted by endorsement to the policy.

4. AUTOMATIC TERMINATION

To the extent provided below, coverage extended by this endorsement shall TERMINATE AUTOMATICALLY in the following circumstances:

(i) All Coverage

- upon the outbreak of war (whether there be a declaration of war or not) between any two (2) or more of the following countries: France, the People's Republic of China, the Russian Federation, the United Kingdom, the United States of America;

(ii) Any coverage extended in respect of the deletion of sub-paragraph (a) of War, Hi-jacking and Other Perils Exclusion Clause AVN48B

- upon the hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter wheresoever or whensoever such detonation may occur and whether or not the insured aircraft may be involved;

(iii) All coverage in respect of any of the insured aircraft requisitioned for either title or use

- upon such requisition.

PROVIDED THAT if an insured aircraft is in the air when (i), (ii) or (iii) occurs, then the coverage provided by this endorsement (unless otherwise cancelled, terminated or suspended) shall continue in respect of such an aircraft until completion of its first landing thereafter and any passengers have disembarked.

5. REVIEW AND CANCELLATION

(a) Review of Premium and/or Geographical Limits (7 Days)

The Company or its Aviation Managers may give notice to review premium and/or geographical limits - such notice to become effective on the expiry of seven (7) days from 23:59 hours G.M.T. on the day on which notice is given.

(b) Limited Cancellation (48 hours)

Following a hostile detonation as specified in Paragraph 4. (ii) above, the Company or its Aviation Managers may give notice of cancellation of one or more parts of the coverage provided by Paragraph 1. of this endorsement by reference to sub-paragraphs (c), (d), (e), (f) and/or (g) of War, Hi-jacking and Other Perils Exclusion Clause AVN48B - such notice to become effective on the expiry of forty-eight (48) hours from 23:59 hours G.M.T. on the day on which notice is given.

(c) Cancellation (7 Days)

The coverage provided by this endorsement may be cancelled by either the Company, its Aviation Managers or the Insured by giving notice to become effective on the expiry of seven (7) days from 23:59 hours G.M.T. on the day on which such notice is given.

(d) Notices

All notices referred to herein shall be in writing.

All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 20

Date of Issue 7/19/11 js

By 
(Authorized Representative)

TERRORISM EXCLUSION - CERTIFIED ACTS

This insurance does not apply to loss, injury, damage, claim or suit, arising directly or indirectly as a result of an "act of terrorism", which is defined in the Terrorism Risk Insurance Act of 2002, as amended by the Terrorism Risk Insurance Program Reauthorization Act of 2007 (collectively, "TRIA") as follows:

(1) ACT OF TERRORISM. -

(A) CERTIFICATION. - The term "act of terrorism" means any act that is certified by the Secretary [of the Treasury], in concurrence with the Secretary of State, and the Attorney General of the United States -

- (i) to be an act of terrorism;
- (ii) to be a violent act or an act that is dangerous to -
 - (I) human life;
 - (II) property; or
 - (III) infrastructure;
- (iii) to have resulted in damage within the United States or outside of the United States in the case of -
 - (I) an air carrier or vessel [described in TRIA]; or
 - (II) the premises of a United States mission; and
- (iv) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

(B) LIMITATION. - No act shall be certified by the Secretary as an act of terrorism if -

- (i) the act is committed as part of the course of a war declared by the Congress, except that this clause shall not apply with respect to any coverage for workers' compensation; or
- (ii) property and casualty insurance losses resulting from the act, in the aggregate, do not exceed \$5,000,000.

(C) DETERMINATIONS FINAL. - Any certification of, or determination not to certify, an act as an act of terrorism under this paragraph shall be final, and shall not be subject to judicial review.

(D) NONDELEGATION. - The Secretary may not delegate or designate to any other officer, employee, or person, any determination under this paragraph of whether, during the effective period of the Program, an act of terrorism has occurred.

THE PROVISIONS OF THIS ENDORSEMENT SHALL APPLY SOLELY TO TRIA AND SHALL IN NO WAY AFFECT THE PROVISIONS OF THE WAR, HI-JACKING AND OTHER PERILS EXCLUSION CLAUSE (AVIATION), FORM NO. AVN48B, OR ANY AMENDMENTS THERETO.


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 21

Date of Issue 7/19/11 js

By 
(Authorized Representative)

NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE AVN46B

This policy is amended as follows:

In the event any of the provisions of this endorsement are in conflict with any provisions, exclusions, conditions or terms forming part of this policy, this endorsement shall take precedence.

1. This policy does not cover claims directly or indirectly occasioned by, happening through or in consequence of:
 - (a) noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith,
 - (b) pollution and contamination of any kind whatsoever,
 - (c) electrical and electromagnetic interference,
 - (d) interference with the use of property;unless caused by or resulting in a crash, fire, explosion or collision or a recorded in-flight emergency causing abnormal aircraft operation.
2. With respect to any provision in the policy concerning any duty of the Company to investigate or defend claims, such provision shall not apply and the Company shall not be required to defend:
 - (a) claims excluded by paragraph 1., or
 - (b) a claim or claims covered by the policy when combined with any claims excluded by paragraph 1. (referred to below as "Combined Claims").
3. In respect of any Combined Claims, the Company shall (subject to proof of loss and the limits of the policy) reimburse the Insured for that portion of the following items which may be allocated to the claims covered by the policy:
 - (a) damages awarded against the Insured and
 - (b) defense fees and expenses incurred by the Insured.
4. Nothing herein shall override any radioactive contamination or other exclusion clause attached to or forming part of this policy.

All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 22

Date of Issue 7/19/11 js

UE46B (1/05)

By 
(Authorized Representative)

NUCLEAR RISKS EXCLUSION CLAUSE AVN38B

This policy is amended as follows:

In the event any of the provisions of this endorsement are in conflict with any provisions, exclusions, conditions or terms forming part of this policy, this endorsement shall take precedence.

1. This policy does not cover:

- (i) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- (ii) any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from:

- (a) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- (b) the radioactive properties of, or a combination of radioactive properties with toxic, explosive or other hazardous properties of, any other radioactive material in the course of carriage as cargo, including storage or handling incidental thereto;
- (c) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.

2. It is understood and agreed that such radioactive material or other radioactive source in paragraph 1. (b) and (c) above shall not include:

- (i) depleted uranium and natural uranium in any form;
- (ii) radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, educational or industrial purpose.

3. This policy, however, does not cover loss of or destruction of or damage to any property or any consequential loss or any legal liability of whatsoever nature with respect to which:

- (i) the Insured under this policy is also an insured or an additional insured under any other insurance policy, including any nuclear energy liability policy; or
- (ii) any person or organization is required to maintain financial protection pursuant to legislation in any country; or
- (iii) the Insured under this policy is, or had this policy not been issued would be, entitled to indemnification from any government or agency thereof.

4. Loss, destruction, damage, expense or legal liability in respect of the nuclear risks not excluded by reason of paragraph 2. shall (subject to all other terms, conditions, limitations, warranties and exclusions of this policy) be covered, provided that:

- (i) in the case of any claim in respect of radioactive material in the course of carriage as cargo, including storage or handling incidental thereof, such carriage shall in all respects have complied with the full International Civil Aviation Organization "Technical Instructions for the Safe Transport of Dangerous Goods by Air", unless the carriage shall have been subject to any more restrictive legislation, when it shall in all respects have complied with such legislation;
- (ii) this policy shall only apply to an incident happening during the period of this policy and where any claim by the Insured against the Company or by any claimant against the Insured arising out of such incident shall have been made within three years after the date thereof;
- (iii) in the case of any claim for the loss of or destruction of or damage to or loss of use of an aircraft caused by or contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:

<u>Emitter</u> (IAEA Health and Safety Regulations)	<u>Maximum permissible level</u> <u>of non-fixed radioactive</u> <u>surface contamination</u> (Averaged over 300 cm ²)
Beta, gamma and low toxicity alpha emitters	Not exceeding 4 becquerels / cm ² (10 ⁻⁴ microcuries / cm ²)
All other alpha emitters	Not exceeding 0.4 becquerels / cm ² (10 ⁻⁵ microcuries / cm ²)

- (iv) the cover afforded hereby may be cancelled at any time by the Company giving seven days' notice of cancellation.

All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 23

Date of Issue 7/19/11 js

By 
(Authorized Representative)

DATE RECOGNITION EXCLUSION CLAUSE AVN2000A

This Policy does not cover any claim, damage, injury, loss, cost, expense or liability (whether in contract, tort, negligence, product liability, misrepresentation, fraud or otherwise) of any nature whatsoever arising from or occasioned by or in consequence of (whether directly or indirectly and whether wholly or partly):

- (a) the failure or inability of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) accurately or completely to process, recognize, exchange or transfer year, date or time data or information in connection with any change of year, date or time;

whether on or before or after such change of year, date or time;

- (b) any implemented or attempted change or modification of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) in anticipation of or in response to any such change of year, date or time, or any advice given or services performed in connection with any such change or modification;
- (c) any non-use or unavailability for use of any property or equipment of any kind whatsoever resulting from any act, failure to act or decision of the Insured or of any third party related to any such change of year, date or time;

and any provision in this Policy concerning our duty to investigate or defend claims shall not apply to any claims so excluded.


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 24

Date of Issue 7/19/11 js

By 
(Authorized Representative)

DATE RECOGNITION LIMITED COVERAGE CLAUSE AVN2002A

In consideration of the additional premium of \$ INCLUDED :

WHEREAS the Policy of which this Endorsement forms part includes the Date Recognition Exclusion Clause (Clause AVN2000A), it is hereby understood and agreed that, subject to all terms and provisions of this Endorsement, Clause AVN2000A shall not apply to any sums which the Insured shall become legally liable to pay, and (if so required by the Policy) shall pay (including costs awarded against the Insured) in respect of:

1. accidental "bodily injury", fatal or otherwise, or "loss" of or damage to property caused by an "aircraft" accident occurring during the Policy Period and arising out of a risk insured under the Policy; and/or
2. accidental "bodily injury", fatal or otherwise, or "loss" of or damage to property caused by an accident, other than an "aircraft" accident, occurring during the Policy Period and arising out of a risk insured under the Policy. For the avoidance of doubt, solely for the purposes of this paragraph 2. and without prejudice to the meaning of the words in any other context, "bodily injury" shall mean only physical corporeal injury and unless arising directly therefrom shall not include mental or psychological injury.

PROVIDED THAT:

1. Coverage provided pursuant to this endorsement shall be subject to all terms, conditions, limitations, warranties, exclusions and cancellation provisions of this Policy (except as specifically provided herein), and nothing in this Endorsement extends coverage beyond that which is provided by the Policy.
2. Nothing in this Endorsement shall provide any coverage:
 - a. applying in excess of any scheduled underlying insurance and/or in respect of any non aviation risks; and/or
 - b. in respect of grounding of any "aircraft"; and/or
 - c. in respect of loss of use of any property unless it arises out of physical damage to or destruction of property in the accident giving rise to a claim under the Policy.
3. The Insured agrees that it has an obligation to disclose in writing to the Insurers during the Policy Period any material facts relating to the Date Recognition Conformity of the Insured's operations, equipment and products.

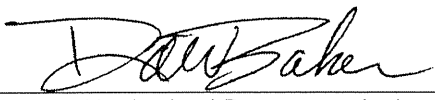
All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 25

Date of Issue 7/19/11 js

By 
(Authorized Representative)

MONTANA AMENDATORY ENDORSEMENT

Wherever used in this endorsement: 1) "Insurer" means the insurance company which issued this policy; and 2) "Named Insured", "First Named Insured", and "Insured" mean the Named Corporation, Named Organization, Named Entity, Named Sponsor, Named Insured, or Insured stated in the Declarations page; and 3) "Other Insured(s)" means all other persons or entities afforded coverage under the policy.

The following is added and supercedes any provision to the contrary:

This policy may be cancelled by the Insurer within sixty (60) days after the effective date of the policy without cause. Written notice shall be by first class mail or delivered to the Insured stating when, not less than ten (10) days after mailing or delivery, cancellation shall be effective. This section shall not apply to any renewal policy issued by the Insurer to the Insured.

After this policy has been in effect for sixty (60) days or more, the Insurer shall not cancel the policy prior to the expiration of the agreed term or one year from the effective date of the policy or renewal, whichever is less, except for one or more of the following reasons:

1. For reasons specifically allowed by statute;
2. Failure to pay a premium when due;
3. On grounds stated in the policy which pertain to the following:
 - a) Material misrepresentation;
 - b) Substantial change in the risk assumed, except to the extent that the Insurer should reasonably have foreseen the change or contemplated the risk when the contract was written;
 - c) Substantial breaches of contractual duties, conditions or warranties;
 - d) Determination by the Commissioner that continuation of the policy would place the Insurer in violation of this code;
 - e) Financial impairment of the Insurer; or
 - f) Any other reason approved by the Commissioner.

Written notice shall be by first class mail or delivered to the Insured stating when, not less than ten (10) days after the mailing or delivery, cancellation shall be effective.

The Insurer shall mail or deliver at least forty-five (45) days prior to the expiration date provided in the policy, notice to the Insured that the Insurer does not intend to renew the policy beyond the expiration date.

The Insurer will give notice of premium due by the Insured not more than sixty (60) days or less than thirty (30) days before the due date of a renewal premium. This notice will clearly state the effect of nonpayment of premium on or before the due date.

The nonrenewal provisions do not apply if:

1. the Insured has obtained insurance elsewhere, has accepted replacement coverage, or has requested or agreed to nonrenewal; or
2. the policy is expressly designated as nonrenewable.


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of
Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 26

Date of Issue 7/19/11 js

By 
(Authorized Representative)

AMENDMENT TO SPECIAL AIRPORT PROVISIONS EXCLUSION CLAUSE

In consideration of the premium at which this policy is written, this policy is amended as follows:

Paragraphs 2. a. and 4. a. and b. set forth under the Special Airport Provisions Exclusion Clause are hereby deleted in their entirety.

All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of
Policy No. AP 042834157-01 issued to STATE OF MONTANA

By NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

Endorsement No. 27

Date of Issue 7/19/11 js

UNCA0736 (07/11)

By



(Authorized Representative)

EXCLUSION DELETION ENDORSEMENT

Liability Coverage
(Terrorism Risk Insurance Program Reauthorization Act of 2007)

In consideration of an additional premium of \$ INCLUDED , this policy is amended to provide such coverage as is set forth below:

(A) EXCLUSION DELETION

Endorsement UE1066 - entitled Terrorism Exclusion - Certified Acts - is hereby deleted from this policy. The deletion of UE1066 shall in no way affect the provisions of the War, Hi-Jacking and Other Perils Exclusion Clause (Aviation), Form No. AVN48B, or any amendments thereto.

(B) LIMITATION OF LIABILITY

The limit of the Company's liability for the coverage contemplated by this Endorsement shall be included within and shall not be in addition to the limits of liability provided under this policy.

All other provisions of this policy remain the same.


This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 28

Date of Issue 7/19/11 js

UE858 (2/08)

By 
(Authorized Representative)

EXCLUSION - COVERAGE C - MEDICAL PAYMENTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Description and Location of Premises or Classification:

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any premises or classification shown in the Schedule:

1. **SECTION I - COVERAGE C MEDICAL PAYMENTS** does not apply and none of the references to it in the Coverage Form apply; and
2. The following is added to **SECTION I - SUPPLEMENTARY PAYMENTS**:
 - h. Expenses incurred by the insured for first aid administered to others at the time of an accident for "bodily injury" to which this insurance applies.


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 29

Date of Issue 7/19/11 js

By 
(Authorized Representative)

CGL209 (3/05)

EXCLUSION - DAMAGE TO PREMISES RENTED TO YOU

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

- A. The last paragraph ("Exclusions c. through n. do not apply . . .") of Paragraph 2. **Exclusions** under **SECTION I - COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is deleted.
- B. The first exception ("Paragraphs (1), (3) and (4) of this exclusion do not apply . . .") to Exclusion j. **Damage To Property** of Paragraph 2. **Exclusions** of **SECTION I - COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is deleted.
- C. Paragraph 6. of **SECTION III - LIMITS OF INSURANCE** is deleted.
- D. Any reference in the Declarations to "Damage To Premises Rented To You" is deleted.


All other provisions of this policy remain the same.

This endorsement becomes effective JULY 1, 2011 to be attached to and hereby made a part of
Policy No. AP 042834157-01 issued to STATE OF MONTANA

By National Union Fire Insurance Company of Pittsburgh, Pa.

Endorsement No. 30

Date of Issue 7/21/11 js

By 
(Authorized Representative)

CGL214 (3/05)

POLICYHOLDER NOTICE

Thank you for purchasing insurance from a member company of Chartis Inc. The Chartis Inc. member companies generally pay compensation to brokers and independent agents, and may have paid compensation in connection with your policy. You can review and obtain information about the nature and range of compensation paid by Chartis Aerospace Insurance Services, Inc. to brokers and independent agents in the United States by visiting our website at www.chartisinsurance.com/producercompensation or by calling Chartis at 800-706-3102.

NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.
175 WATER STREET, 18TH FLOOR
NEW YORK, NY 10038

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured. Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

SECTION I - COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies resulting from your "aviation operations". We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A, B and D.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change, or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time for the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance, or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

- (a) Employment by the insured; or
- (b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother, or sister of the "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Air Traffic Control

"Bodily injury" or "property damage" arising out of air traffic control operations on the ground or in the air.

g. Aircraft, Auto, Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use, or entrustment to others of any "aircraft", "auto", or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading" and, with respect to "aircraft", operated by also includes operation on behalf of any insured.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any "aircraft", "auto", or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

- (4) Liability assumed under any "insured contract" for the ownership, maintenance, or use of watercraft; or
- (5) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
 - (b) The operation of any of the machinery or equipment listed in Paragraph f. (2) or f. (3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for any prearranged racing, speed, demolition, or stunting activity.

i. Appropriation By Government Power

"Property damage" arising out of the appropriation of property or property rights by governmental power.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration, or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody, or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired, or replaced because "your work" was incorrectly performed on it.

Paragraph (1), (3), and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5), and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy, or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work, Or Impaired Property

Damages claimed for any "loss", cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the "loss" of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Employment-Related Practices

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, or discrimination directed at that person;
- (2) The spouse, child, parent, brother, or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or to repay someone else who must pay damages because of the injury.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance

COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies resulting from your "aviation operations". We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A, B, and D.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your "aviation operations" but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products, or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products, or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement in your "advertisement" of copyright, trade dress, or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing, or telecasting;
- (2) Designing or determining content of web- sites for others; or
- (3) An Internet search, access, content, or service provider.

However, this exclusion does not apply to Paragraphs a., b., and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising for you or others anywhere on the Internet is not, by itself, considered the business of advertising, broadcasting, publishing, or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Employment-Related Practices

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment;
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, or discrimination directed at that person; or
- (2) The spouse, child, parent, brother, or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether you may be held liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or to repay someone else who must pay damages because of the injury.

n. Taking Of Or Exercising Of Property Rights

"Personal injury" arising out of the taking of or exercising of the property rights of others by overflight or other operation of "aircraft".

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your "aviation operations";

provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
 - (2) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for
- (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing, and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing, or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

COVERAGE D HANGARKEEPERS LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the Insured becomes legally obligated to pay as damages because of "loss" to "aircraft" (subject to the deductible shown in the Declarations if applicable unless such "loss" results from fire or explosion or while the "aircraft" is dismantled and being transported) occurring while such "aircraft" is in the care, custody or control of the insured for safekeeping, storage, service or repair. We will have the right and duty to defend any "suit" seeking those damages. We may, at our discretion, investigate any "loss" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverage D.
- (3) When you repair damages which you have caused, we will not pay more than:
 - (a) your actual net cost for necessary material and parts of like kind and quality; and
 - (b) your actual wages for labor at current straight time rates with no premium for overtime, plus 100% of such wages as an allowance for overhead and supervision.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A, B, and D.

b. This insurance applies to damages because of "loss" to "aircraft" only if:

- (1) The "loss" takes place in the "coverage territory"; and
- (2) The "loss" occurs during the policy period.

2. Exclusions

This insurance does not apply to:

- a. The insured's liability under any agreement to be responsible for "loss";
- b. "Loss" to robes, wearing apparel, personal effects or merchandise;
- c. To "loss" or damage to "aircraft" or parts of "aircraft";
 - (1) Owned by, leased to, rented to, or loaned to the insured or partner(s) of the insured;
 - (2) Owned by, leased to, rented to, or loaned to an officer or "employee" of the insured unless the property in an "aircraft" in your custody under agreement for which a charge has been made;
- d. "Loss" due to theft or conversion caused in any way by you, your "employees", your partners or by your shareholders;
- e. "Loss" to "your work" arising out of it or any part of it; or
- f. "Loss" to "aircraft" while "in flight".

SUPPLEMENTARY PAYMENTS - COVERAGES A, B, AND D

1. We will pay, with respect to any claims we investigate or settle or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$5,000. for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250. a day because of time off from work.

- e. All costs taxed against the insured in the "suit".
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee has also been assumed by the insured in the same "insured contract";
 - d. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement, or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

Provided that the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us, and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2. b. (2) of Section I - Coverages A Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture, or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) (a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1) (a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

- c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture, or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However,
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization;
 - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization;
 - d. Coverage C does not apply to medical expenses arising out of "bodily injury" that occurred before you acquired or formed the organization; and
 - e. Coverage D does not apply to "loss" to "aircraft" before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of
 - a. Insureds;
 - b. Claims made or "suits" brought;
 - c. Persons or organizations making claims or bringing "suits"; or
 - d. "Aircraft" to which Coverage D applies.
- 2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage B.
- 3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
- 4. Subject to 2. above, the Personal And Advertising Injury Aggregate Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury".

5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical Expenses under Coverage Cbecause of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.
8. The Hangarkeepers' Each Loss Limit is the most we will pay for the sum of damages under Coverage D because of any one "loss".
9. Subject to 8. above, the Hangarkeepers' Each Aircraft Limit is the most we will pay for the sum of damages under Coverage D because of "loss" to any one "aircraft" in any one "loss".

The Limits of Insurance of this Policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Policy.

2. Cancellation

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We or the "Aviation Managers" may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. We or the "Aviation Managers" will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

3. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by the "Aviation Managers" and made a part of this policy.

4. Duties In The Event of Occurrence, Offense, Claim, Or Suit

a. You must see to it that we or the "Aviation Managers" are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us or the "Aviation Managers" as soon as practicable.

You must see to it that we or the "Aviation Managers" receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us or the "Aviation Managers" copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us or the "Aviation Managers" to obtain records and other information;
- (3) Cooperate with us or the "Aviation Managers" in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us or the "Aviation Managers", upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent or the consent of the "Aviation Managers".

5. Examination Of Your Books And Records

We or the "Aviation Managers" may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterword.

6. Inspections And Surveys

a. We have the right to:

- (1) Make inspections and surveys at any time;
- (2) Give you reports on the conditions we find; and
- (3) Recommend changes.

- b. We are not obligated to make any inspections, surveys, reports, or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged.

We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And, we do not warrant that conditions

- (1) Are safe or healthful; or
- (2) Comply with laws, regulations, codes, or standards.

- c. Paragraphs a. and b. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports, or recommendations.
- d. Paragraph b. of this condition does not apply to any inspections, surveys, reports, or recommendations we may make relative to certification under state or municipal statutes, ordinances, or regulations of boilers, pressure vessels, or elevators.

7. Legal Action Against Us

No person or organization has a right under this Policy:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Policy unless there has been full compliance with all policy terms.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, and the claimant or the claimant's legal representative. Service of process may be made upon the "Aviation Managers" on behalf of the Company. However, we do not waive our rights to commence an action in any court of competent jurisdiction or to seek a transfer to another court as permitted by law.

8. Other Insurance

If other valid and collectible insurance is available to the insured for a "loss" we cover under Coverages A, B, or D of this Policy, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (d) If the "loss" arises out of the maintenance or use of "aircraft", "autos", or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A Bodily Injury And Property Damage Liability.

- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under Coverages A, B, or D to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the "loss", if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the "loss" in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining "loss", if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Policy.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the "loss" remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

If the other insurance is written through the "Aviation Managers" as primary insurance, the total limit of the Company's or Companies' liability will not exceed the greatest limit on any one policy.

9. Premium Audit

- a. We will compute all premiums for this Policy in accordance with our rules and rates.
- b. Premium shown in this Policy as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation and send us copies at such times as we may request.

10. Premiums

The first Named Insured shown in the Declarations:

- a. Is responsible for the payment of all premiums; and
- b. Will be the payee for any return premiums we pay.

11. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We or the "Aviation Managers" have issued this policy in reliance upon your representations.

12. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

13. State Statutes

If the terms of this policy are in conflict with or inconsistent with the statutes of any state where the policy is in effect, we will conform to those state statutes.

14. Titles Of Paragraphs

The titles of the various paragraphs of this policy and amendments, if any, attached to this policy are inserted solely for reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

15. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Policy, those rights are transferred to us. The insured must do nothing after "loss" to impair them. At our or the "Aviation Managers" request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

16. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

17. Violation Of Statute

If coverage for a claim under this policy is in violation of any United States of America's economic or trade sanctions, including but not limited to, sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), then coverage for that claim shall be null and void.

18. When We Do Not Renew

If we or the "Aviation Managers" decide not to renew this Policy, we or the "Aviation Managers" will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web- site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".
2. "Aircraft" means any aircraft including engines, propellers, operating, and navigating instruments and radio equipment attached to or usually attached to or carried on the aircraft, including component parts detached, and tools therein which are standard for the make and type of aircraft. The term "aircraft" excludes missiles, "spacecraft" and launch vehicles.
3. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.However, "auto" does not include "mobile equipment".
4. "Aviation Managers" means Chartis Aerospace Insurance Services, Inc., and any of its subsidiary or affiliated companies, branch offices, or authorized representatives.
5. "Aviation operations" means all operations arising from the ownership, maintenance, or use of locations for aviation activities, including that portion of roads or other accesses that adjoin these locations. "Aviation operations" include all operations necessary or incidental to aviation activities.
6. "Bodily injury" means bodily injury, sickness, or disease sustained by a person, including death resulting from any of these at any time.
7. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico, and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communicationprovided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
8. "Employee" includes a "leased worker". "Employee" does not include a temporary worker.
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws, or any other similar governing document.

10. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate, or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- a. The repair, replacement, adjustment, or removal of "your product" or "your work"; or
 - b. Your fulfilling the terms of the contract or agreement.
11. "In flight" means the time commencing with the actual take-off run of the "aircraft" until it has completed its landing roll, or if the "aircraft" is a rotorcraft, from the time the rotors start to rotate under power until they cease to rotate.
12. "Insured contract" means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your "aviation operations" (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass, or crossing.
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.
- (3) Under which the insured, if an architect, engineer, or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural, or engineering activities.
- (4) That indemnifies any person or organization for "bodily injury" and "property damage" arising out of the manufacture of "aircraft" or "aircraft" parts by the indemnitee.
- (5) That indemnifies any person or organization for "bodily injury" and "property damage" arising out of the major alteration or repair of "aircraft" or "aircraft" parts by the indemnitee.
- (6) Which is agreed to orally by you and another party, unless the contract or agreement is required by a governmental body for you to use an airport.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a temporary worker.
14. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an "aircraft", watercraft, or "auto";
 - b. While it is in or on an "aircraft", watercraft, or "auto"; or
 - c. While it is being moved from an "aircraft", watercraft, or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the "aircraft", watercraft, or "auto".
15. "Loss" means an accident resulting in direct damage to tangible property, including continuous or repeated exposure to substantially the same general harmful conditions. "Loss" includes any resulting loss of use.
16. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent including special use vehicles designed for operation on airports; however, this shall not include passenger cars, pickup trucks, ambulances, tow trucks, buses, snow plows (except while within the confines of the aircraft operations area);
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers, or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e. Vehicles not described in a., b., c., or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
 - f. Vehicles not described in a., b., c., or d. above maintained primarily for purposes other than the transportation of persons or cargo.
- However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
 - (2) Cherry pickers or similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

17. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

18. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention, or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling, or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement";
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
- h. Misdirection of a person to an "aircraft" or other conveyance.

19. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed;
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site; or
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

20. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts, or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD- ROMS, tapes, drives, cells, data processing devices, or any other media which are used with electronically controlled equipment.

21. "Spacecraft" means a spacecraft, satellite, spaceship, space station (or launch vehicle for such spacecraft) designed to travel to, in, or from and operate primarily in space (including parts thereof detached "in flight"). The term "spacecraft" excludes "aircraft" and missiles.

22. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

23. "Volunteer worker" means a person who is not your "employee", who donates his or her work and acts at the direction of and within the scope of duties determined by you and is not paid a fee, salary, or other compensation by you or anyone else for their work performed for you.

24. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed, or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

25. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.

SECTION VI - COMMON POLICY EXCLUSIONS

ASBESTOS EXCLUSION

This policy does not cover any claims of any kind whatsoever directly or indirectly relating to, arising out of or in consequence of:

1. The actual, alleged or threatened exposure to or presence of asbestos in any form whatsoever, including, but not limited to, asbestos fibers or asbestos dust, or any material or product containing, or alleged to contain, asbestos; or
2. Any obligations, request, demand, order, or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, neutralize, protect against or in any other way respond to the actual, alleged or threatened exposure to or presence of asbestos in any form whatsoever, including, but not limited to, asbestos fibers or asbestos dust, or any material or product containing, or alleged to contain, asbestos.

However, the exclusion shall not apply to any claim for asbestos exposure caused by or resulting from a crash, fire, explosion, or collision or a recorded "in flight" emergency causing abnormal "aircraft" operations.

Notwithstanding any other provisions of this policy, Insurers will have no duty to investigate, defend or pay defense costs in respect of any claim excluded in whole or in part under paragraphs 1. or 2. hereof.

NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE

1. This policy does not cover claims directly or indirectly occasioned by, happening through, or in consequence of:
 - a. Noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith,
 - b. Pollution and contamination of any kind whatsoever,
 - c. Electrical and electromagnetic interference,
 - d. Interference with the use of property,
unless caused by or resulting in a crash, fire, explosion or collision or a recorded "in flight" emergency causing abnormal "aircraft" operation.
2. With respect to any provision in the policy concerning any duty of the Company to investigate or defend claims, such provision shall not apply and the Company shall not be required to defend:
 - a. Claims excluded by paragraph 1., or
 - b. A claim or claims covered by the policy when combined with any claims excluded by paragraph 1. (referred to below as "Combined Claims").

3. In respect of any Combined Claims, the Company shall (subject to proof of loss and the limits of the policy) reimburse the insured for that portion of the following items which may be allocated to the claims covered by the policy:
 - a. Damages awarded against the insured, and
 - b. Defense fees and expenses incurred by the insured.
4. Nothing herein shall override any radioactive contamination or other exclusion clause attached to or forming part of this policy.

NUCLEAR RISKS EXCLUSION CLAUSE

1. This policy does not cover:
 - i. Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss.
 - ii. Any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - a. The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - b. The radioactive properties of, or a combination of radioactive properties with toxic, explosive or other hazardous properties of, any other radioactive material in the course of carriage as cargo, including storage or handling incidental thereto;
 - c. Ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.
2. It is understood and agreed that such radioactive material or other radioactive source in paragraph 1. b. and c. above shall not include:
 - i. Depleted uranium and natural uranium in any form;
 - ii. Radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, educational, or industrial purpose.
3. This policy, however, does not cover loss of or destruction of or damage to any property or any consequential loss or any legal liability of whatsoever nature with respect to which:
 - i. The insured under this policy is also an insured or an additional insured under any other insurance policy, including any nuclear energy liability policy; or
 - ii. Any person or organization is required to maintain financial protection pursuant to legislation in any country; or
 - iii. The insured under this policy is, or had this policy not been issued would be, entitled to indemnification from any government or agency thereof.
4. Loss, destruction, damage, expense or legal liability in respect of the nuclear risks not excluded by reason of paragraph 2. shall (subject to all other terms, conditions, limitations, warranties and exclusions of this policy) be covered, provided that:
 - i. In the case of any claim in respect of radioactive material in the course of carriage as cargo, including storage or handling incidental thereof, such carriage shall in all respects have complied with the full International Civil Aviation Organization "Technical Instructions for the Safe Transport of Dangerous Goods by Air", unless the carriage shall have been subject to any more restrictive legislation, when it shall in all respects have complied with such legislation;

- ii. This policy shall only apply to an incident happening during the period of this policy and where any claim by the Insured against the Company or by any claimant against the insured arising out of such incident shall have been made within three (3) years after the date thereof;
- iii. In the case of any claim for the loss of or destruction of or damage to or loss of use of an aircraft caused by or contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:

<u>Emitter</u> <u>(IAEA Health and Safety Regulations)</u>	<u>Maximum permissible level</u> <u>of non-fixed radioactive</u> <u>surface contamination</u> <u>(Averaged over 300 cm²)</u>
Beta, gamma and low toxicity alpha emitters	Not exceeding 4 becquerels / cm ² (10 ⁻⁴ microcuries / cm ²)
All other alpha emitters	Not exceeding 0.4 becquerels / cm ² (10 ⁻⁵ microcuries / cm ²)

- iv. The cover afforded hereby may be cancelled at any time by the Company giving seven (7) days' notice of cancellation.

WAR, HIJACKING AND OTHER PERILS EXCLUSION CLAUSE

This policy does not cover claims caused by:

- a. War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power;
- b. Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- c. Strikes, riots, civil commotions or labor disturbances;
- d. Any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional;
- e. Any malicious act or act of sabotage;
- f. Confiscation, nationalization, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any Government (whether civil, military or de facto) or public or local authority;
- g. Hi-jacking or any unlawful seizure or wrongful exercise of control of the "aircraft" or crew "in flight" (including any attempt at such seizure or control) made by any person or persons on board the "aircraft" acting without the consent of the Insured.

Furthermore, this policy does not cover claims arising whilst the "aircraft" is outside the control of the insured by reason of any of the above perils.

The "aircraft" shall be deemed to have been restored to the control of the insured on the safe return of the "aircraft" to the insured at an airfield not excluded by the geographical limits of this policy, and entirely suitable for the operation of the "aircraft" (such safe return shall require that the "aircraft" be parked with engines shut down and under no duress).

SPECIAL AIRPORT PROVISIONS EXCLUSION CLAUSE

This insurance does not apply:

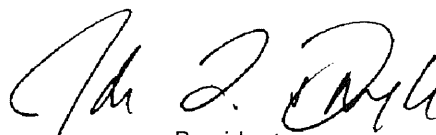
1. To the conduct of any contest, exhibition, air meet, air race, air show, permitted, sponsored or participated in by any insured, or to any claims or "suits" resulting therefrom; or
2. To the ownership, maintenance, use or operation, by any insured, or to any claims or "suits" resulting from:
 - a. Grandstands, bleachers, or observation platforms other than observation decks or promenades which are part of permanent structures on the premises;
 - b. Swimming pools;
 - c. Lodging accommodations for the general public; or
 - d. Schools other than pilot training schools.
3. With respect to restaurants operated by you or by others trading under your name, to "bodily injury" or "property damage" arising out of:
 - a. "Your products"; or
 - b. Reliance upon a representation or warranty made with respect thereto if the "bodily injury" or "property damage" occurs after physical possession of such products has been relinquished to others.
4.
 - a. Under Coverages A, B, and C, to the Named Insured, any insured, or any other person or organization, with respect to any "property damage", "bodily injury", or "personal and advertising injury" resulting or arising from any "occurrence" associated with or related to the act of parachuting, skydiving, training for skydiving, or the rental, use or furnishing of any skydiving equipment.
 - b. Under Coverages A, B, and C, to any claim for "property damage", "bodily injury" or "personal and advertising injury" sustained by any person or organization resulting or arising from any "occurrence" associated with or related to the act of parachuting, skydiving, training for skydiving, or the rental, use or furnishing of any skydiving equipment.

The above exclusions 4. a. and b. apply also to any duty the Company might otherwise have to defend any insured; i.e., there shall be no duty to defend any claim or "suit" arising from any "occurrence" associated with or related to the act of parachuting, skydiving, training for skydiving or the rental, use or furnishing of any skydiving equipment. There will be no Supplementary Payments arising from any "occurrence" associated with or related to the act of parachuting, skydiving, training for skydiving, or the rental, use or furnishing of any skydiving equipment.

By signing below, the President and Secretary of the Insurer agree on behalf of the Insurer to all the terms of this policy.



Secretary



President

NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

This policy shall not be valid unless signed at the time of issuance by an authorized representative of the Insurer on the Declarations page of the policy.